

REAUTHORIZATION

TRANSPORTATION REAUTHORIZATION: STATUS OF THE FEDERAL PROCESS
AND OVERVIEW OF THE “BASICS ACT”

April 3, 2026 - TPB Technical Committee - Agenda Item 5

Understanding Reauthorization

Reauthorization shapes how federal transportation funds are allocated, impacting long-term infrastructure investments. This guide provides an overview for MPOs to navigate and advocate effectively during the reauthorization process.



Summary of Topics

Transportation Funding 101

Funding Programs for MPOs

Reauthorization 101

Key Steps and Timelines

Reauthorization History

Basics Act

MPO Role in the Process

MPO Advocacy Toolkit

Get Involved

THE ASSOCIATION OF METROPOLITAN PLANNING
ORGANIZATIONS

TRANSPORTATION FUNDING 101

TRANSPORTATION FUNDING

Federal transportation funding is essential for MPOs to carry out long-term regional planning and deliver key infrastructure projects. The primary source of this funding comes from the **Highway Trust Fund (HTF)**, which is financed primarily through federal fuel taxes on gasoline and diesel.

THE HIGHWAY TRUST FUND

The HTF is divided into two main accounts:

1. **Highway Account** – Funds highways, bridges, and roadway infrastructure projects.
2. **Mass Transit Account** – Supports public transit systems across the country.

The Highway Trust Fund (HTF) is primarily funded through federal fuel taxes on gasoline and diesel. However, these rates have not increased since 1993, resulting in a widening gap between revenue and transportation needs. Since 2008, Congress has supplemented the HTF with transfers from the general fund to keep it solvent.



[AMPO's HTF REPORT](#)



Key Funding Programs for MPOs

MPOs rely on several federal programs funded through the HTF to carry out their planning and project implementation responsibilities.

The reauthorization of the surface transportation bill impacts the core funding mechanisms that MPOs rely on to execute their planning and programming functions.

METROPOLITAN PLANNING (PL/5303):

These formula funds support MPO planning activities and are allocated to all MPOs based on population and other factors. They fund transportation studies, staff, and long-range planning efforts.

SURFACE TRANSPORTATION BLOCK GRANT (STBG)

Funds support road, bridge, and multimodal projects. In areas with populations over 200,000 (i.e., Transportation Management Areas or TMAs), a portion is directly suballocated to MPOs. For smaller MPOs, the state determines the funding allocation

CONGESTION MITIGATION AND AIR QUALITY IMPROVEMENT (CMAQ)

This program funds projects aimed at reducing transportation-related emissions. CMAQ funds are suballocated to TMAs, while in smaller regions they are often administered by the state.

CARBON REDUCTION PROGRAM (CRP)

Funds projects that reduce greenhouse gas emissions from transportation. Like other programs, CRP is suballocated to TMAs, and is often state-administered in smaller areas.

TRANSPORTATION ALTERNATIVES (TA) SET-ASIDE

Funds projects focused on improving non-motorized transportation options, such as bicycle and pedestrian infrastructure. TA funds are suballocated in TMAs, with administration varying in smaller regions.

DISCRETIONARY GRANT PROGRAMS

Several discretionary grant programs that MPOs are eligible to apply for or benefit from could be impacted by the surface transportation reauthorization process. Examples of discretionary programs include RAISE, SS4A, and SMART grants.

THE ASSOCIATION OF METROPOLITAN PLANNING ORGANIZATIONS



AMPO's POLICY
ROADMAP

REAUTHORIZATION 101

WHAT IS REAUTHORIZATION?

The Surface Transportation Reauthorization is a critical component of the federal transportation policy cycle, setting the funding and policy framework for surface transportation programs over a multi-year period, typically five to six years. Through this process, Congress updates federal policies to address the nation's evolving infrastructure needs and challenges. These decisions directly shape how transportation projects are planned, funded, and implemented across states and regions, influencing everything from long-term investments to local project priorities.

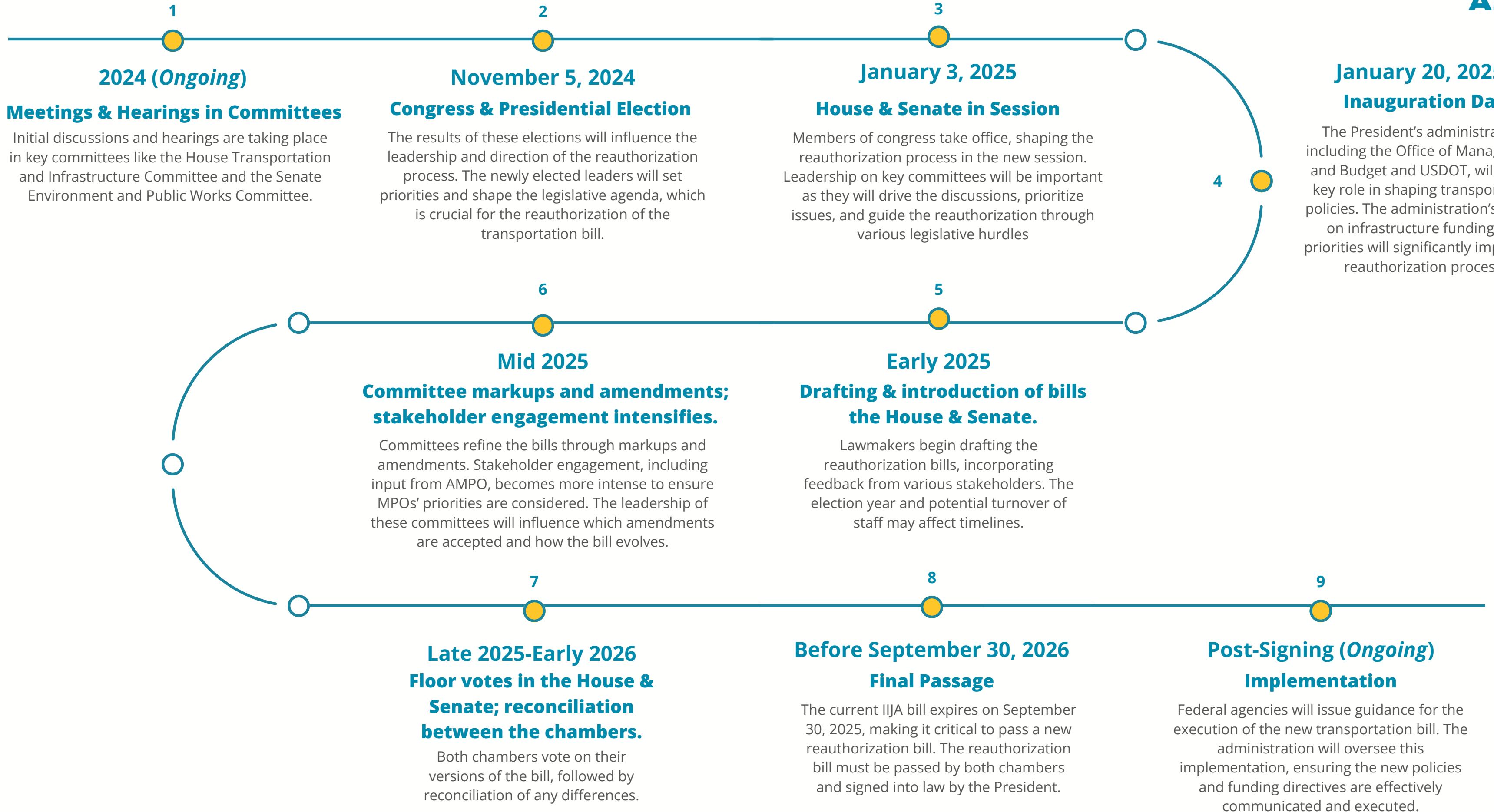
WHY DOES IT MATTER?

Reauthorization is a key opportunity to shape the policies and funding frameworks that directly impact communities nationwide. It determines how federal transportation funds are allocated to states and regions, influencing priorities like resiliency, safety, transit, mobility, and innovation. Reauthorization also impacts the core funding mechanisms that MPOs rely on to execute their planning and programming functions. By understanding this process, MPOs are better positioned to advocate for long-term solutions that align with local and regional priorities and to engage effectively with federal policymakers to ensure regional needs are addressed.

Timeline

The reauthorization process involves key legislative steps, from initial discussions to bill implementation. Understanding these timelines helps MPOs advocate effectively at each stage.





Note: Although the reauthorization process varies, it typically follows a multi-year cycle. Historically, reauthorization bills face delays, requiring short-term extensions to maintain funding.

RECENT REAUTHORIZATION HISTORY

LEGISLATION	FISCAL YEARS & SURFACE TRANSPORTATION FUNDING	KEY IMPACTS & THEMES	SELECT NOTABLE PROGRAMS
Intermodal Surface Transportation Efficiency Act (ISTEA)	1992-1997 <i>\$155 billion</i>	First major shift to empower MPOs; emphasized multimodal and regional planning More funding flexibility Learn more	National Highway System (NHS) established Congestion Mitigation and Air Quality (CMAQ) program
Transportation Equity Act for the 21st Century (TEA-21)	1998-2003 <i>\$218 billion</i>	Expanded MPO authority and planning factors Strengthened environmental considerations and innovative financing tools Learn more	Transportation Infrastructure Finance and Innovation Act (TIFIA) Expanded Surface Transportation Block Grant (STBG)
Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU)	2005-2009 <i>\$244.1 billion</i>	Formalized public participation plans Increased Planning Funds Encouraged public-private partnerships Learn more	Safe Routes to School program Highway Safety Improvement Program (HSIP)
Moving Ahead for Progress in the 21st Century (MAP-21)	2012-2014 <i>\$105 billion</i>	Introduced performance-based planning requirements Strengthened MPO accountability Learn more	National Performance Management Goals Transportation Alternatives Program (TAP)
Fixing America's Surface Transportation (FAST) Act	2016-2020 <i>\$305 billion</i>	Expanded transit funding and resiliency programs Increased focus on freight and safety Learn more	National Highway Freight Program (NHFP) Grants for freight Transit-Oriented Development (TOD) Pilot Program Build America Bureau
Infrastructure Investment and Jobs Act (IIJA)	2021-2026 <i>\$567 billion</i>	Historic funding increase Expanded MPO eligibility in competitive programs Focus on equity and resilience goals Learn more	Carbon Reduction Program (CRP) Promoting Resilient Operations for Transformative, Efficient, and Cost-saving Transportation Program (PROTECT) National Electric Vehicle Infrastructure (NEVI) Program New discretionary grants (ex: Safe Streets & Roads for All)

How the BASICS Act fits into Reauthorization

Congress is currently working on the next surface transportation reauthorization (IIJA was the last surface bill – Expires Sept. 30)



We expect Congress to release legislative text this Spring



The BASICS Act is AMPO's and the LOT Coalition's marker bill for the next surface transportation reauthorization

Signals the priorities of local and regional governments

Part or all of the bill could be included in the surface bill – not guaranteed!

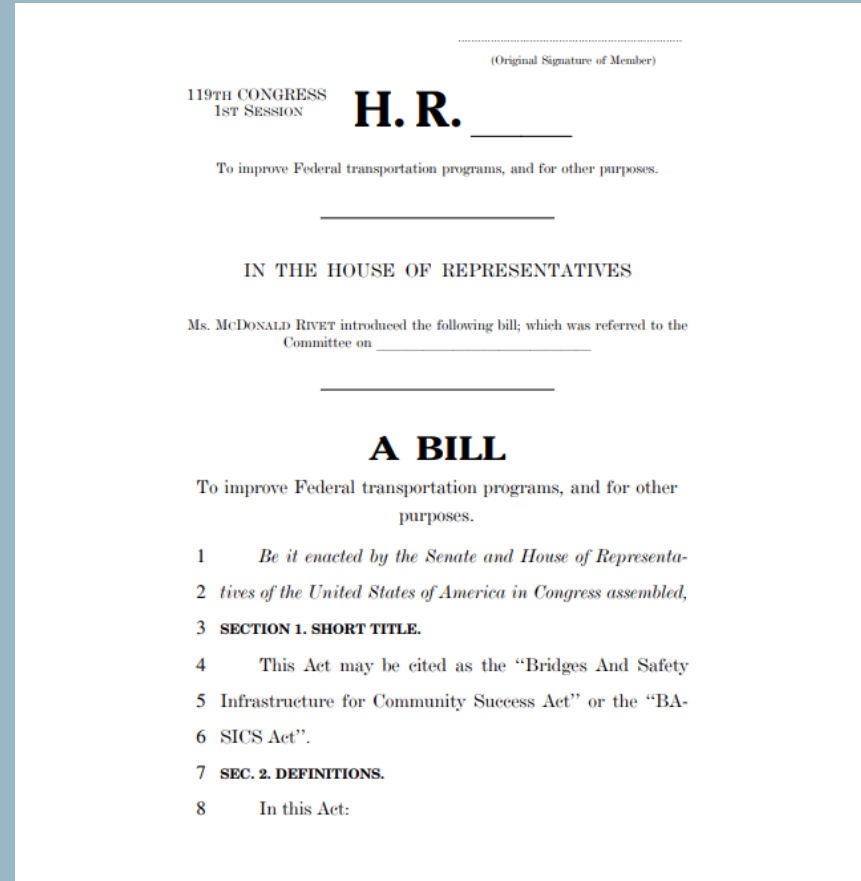
The BASICS Act has been introduced but still needs yours and Congress' support!

The BASICS Act

- Support the needs of cities, counties, RTPOs, MPOs, regions, and communities nationwide.
- Protects and strengthens local access to federal dollars
- Based extensive member input and local and regional experience.
- Includes [AMPO's legislative priorities](#).
- Unified approach supported by AMPO, NARC, NLC, USCM, NACO, NADO



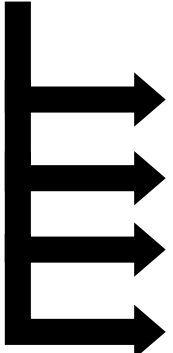
LOT
LOCAL OFFICIALS
IN TRANSPORTATION
COALITION



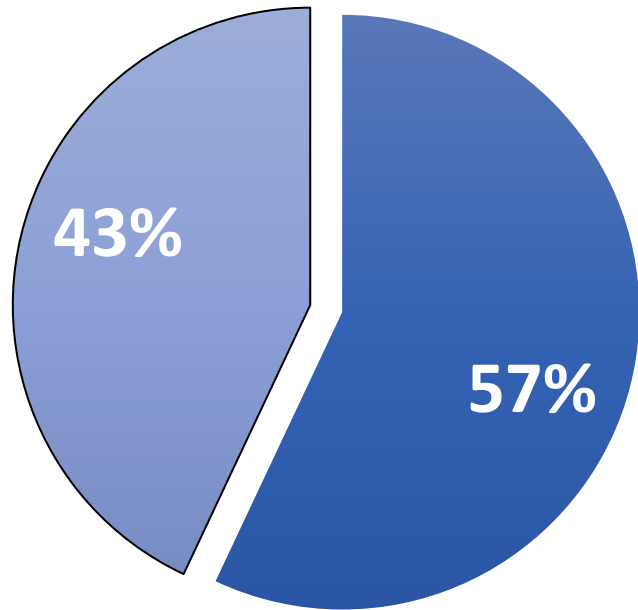
Congressional Signals

Chairman Graves on reauthorization:

“In the next surface transportation reauthorization bill, **we’re going back to basics**. After recent years of expanding and creating more programs, spending money we don’t have, and losing money to project approval inefficiencies, **we can and must focus on our most fundamental infrastructure needs.**”

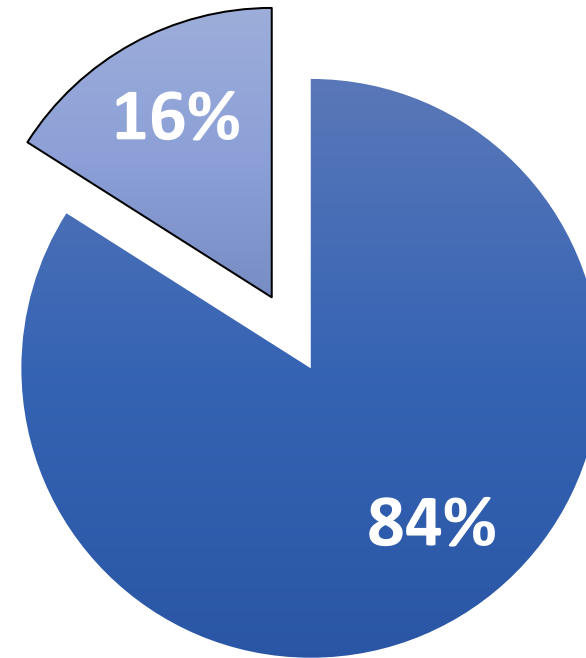
- 
- Greater focus on roads and bridges
 - Less discretionary money/programs
 - Less expansive reach than IIJA – *Likely HTF Baseline + Inflation*
 - Focus on safety, streamlining, and project delivery

Local Governments own **43%** of the Federal-Aid Highway System and **75%** of all U.S. Road Miles



■ States ■ Locals

Yet Communities Only See **16%** of the Federal-Aid Highway Funding



■ States ■ Locals

Responsibility ≠ Resources

*The distribution is out of **balance***

Regions & Locals Need to Maintain their Share



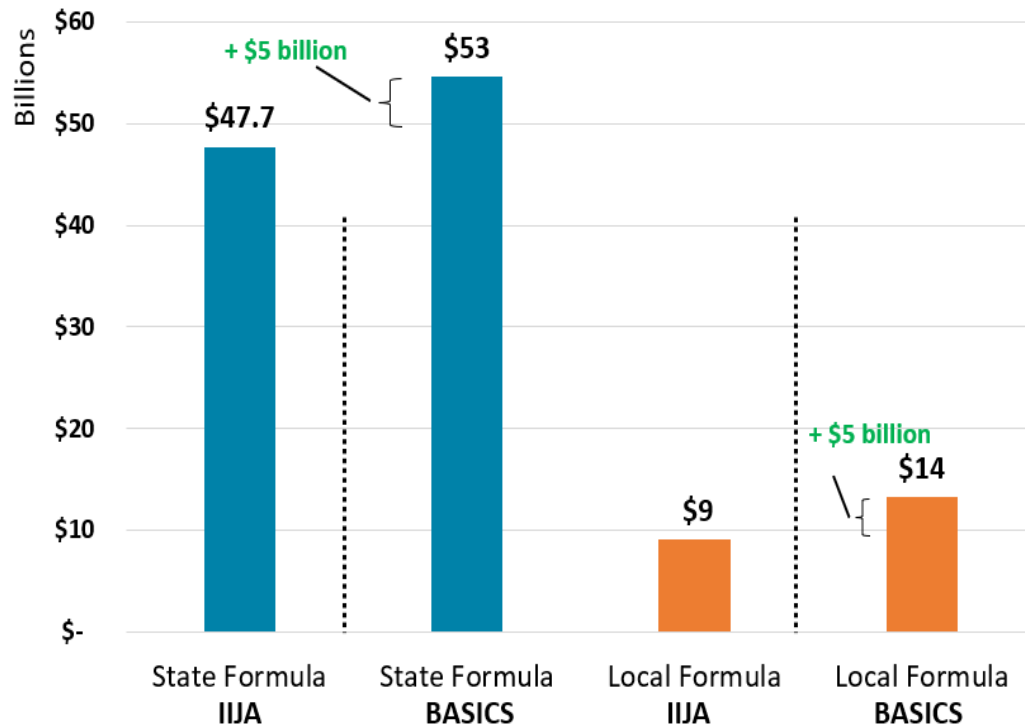
If Congress shifts funding from discretionary programs to formula programs without requiring suballocation to regions,

Local governments could lose access to funding that previously flowed to them under the IIJA, roughly 25 percent of total federal transportation funding.

BASICS (Bridges And Safety Infrastructure for Community Success) Act (H.R. 7437)

- **Modernizes Planning Funds (PL)**
 - Increases PL Funds (2.5% of the overall program)
 - 100% Federal Share
 - MPO Option to be Direct Recipients of PL funds (opt-in)
 - Expands Eligibilities
- **Increases Surface Transportation Block Grant (STBG) Overall Funds**
- **Increases Highway Safety Improvement Program (HSIP) Overall Funds**
 - 25% Suballocation
- **Continues Bridge Formula Program**
 - 25% suballocation
- **Reaffirms MPO Project Selection**
- **Strengthens Consultation with areas below 50,000 in Population for suballocated funds**
- **Federal Financial Management System (FMIS) Access**
- **Suballocated Funds Protected from Transfer**
- **Funding for Regional Transportation Planning Organizations (RTPOs)**

What happens on the funding side?



Note: BASICS is a forward-looking bill based on FY27 assumptions for the HTF baseline (\$80b), inflation adjustments (2%), and consolidation of certain IIJA grant programs into the formulas (congress direction).

- Adjusts how money is apportioned & distributed → More dollars flow to **STBG (flexibility) & HSIP (safety)**
- Increases **State funds by \$5 billion (11%)**
- Increases **guaranteed local funds by \$5 billion**
- Increases planning funding (**PL**) to **2.5% of the Federal-Aid Highway Program**
- **Bridge Formula Program & SS4A** become **core formula programs**

Metropolitan Planning

- **PL funding is set at 2.5%**

PL IJA FY2026	PL BASICS Act
\$470 million	2.5% = \$1.4 billion

198% increase! →

- **100 percent federal cost share**
- **Direct recipient status for PL funding**
 - Opt-in for MPOs with capacity
- **Access to FMIS**
- **Expands Eligible Uses**
 - Local technical assistance, preliminary design, data, etc.

Get Involved!

Katie Economou

Policy and Intergovernmental Affairs Manager

PHONE

202.280.1935

EMAIL

keconomou@ampo.org

WEBSITE

AMPO.ORG